WORKPLACE WRAP - JULY 2024

Date: 1 July 2024

Australia Labor, Employment, and Workplace Safety Alert

By: Michaela Moloney, Nick Ruskin, Carla Camassa

As we find ourselves in the new financial year, a number of the key financial thresholds relating to employees have increased. Click here to view our summary of the key thresholds for the 2024/2025 financial year for employers.

From 1 July 2024, the *national minimum wage* has increased by 3.75% to AU$24.10 per hour.

Award minimum wages have also risen by 3.75%.

In reaching this conclusion, the Fair Work Commission has cited cost-of-living pressures, particularly among low-income households. The Fair Work Commission noted that award minimum wages in particular remain “in real terms, lower than they were five years ago”, resulting in financial challenges for award income driven households.

In addition, the Fair Work Commission has resolved to establish a program for the resolution of gender undervaluation as it pertains to certain awards. Priority areas for attention include classifications applicable to:

- Early childhood education and care workers;
- Disability home care workers;
- Social and community services workers;
- Dental assistants;
- Medical technicians;
- Psychologists;
- Pharmacists; and
- Other health professionals.

From 1 July 2024, the superannuation guarantee rate has also increased to 11.5%.

The changes will apply from the first full pay period starting on or after 1 July 2024.

The Fair Work Act's high income threshold will also be indexed and, from 1 July 2024, has increased to AU$175,000. Non-award covered employees who earn in excess of AU$175,000 will be unable to bring an unfair dismissal claim.

Subject to the passing of relevant legislation, from 1 July 2024, the value of penalty units applicable to the Fair Work Act has increased from AU$313 per unit to AU$330 per unit. This increase has been factored into the value of the penalties included in the key thresholds table applicable from 1 July 2024.

©2005-2026 K&L Gates LLP. All Rights Reserved.

WHAT YOU SHOULD BE DOING FROM 1 JULY?

Employers should:

- Review annualised salary arrangements to ensure that the annualised wage rate is sufficient to meet or exceed the employees' minimum award or minimum wage entitlements taking into account the 3.75% increase.
- Update payroll systems and processes to ensure the increased wages and superannuation contribution are paid from the first full pay period starting on or after 1 July 2024.
- Review enterprise agreement pay rates (where applicable) and ensure the pay rates do not fall below the applicable modern award base rate or the national minimum wage (as applicable).
- Ensure all employees who are eligible are being paid the appropriate super guarantee.
- Be mindful of the new high income threshold of AU$175,000.

CAN WE HELP?

If you have any questions about the effect of the 1 July 2024 threshold increases on your payment obligations as an employer, please contact our Labour, Employment and Workplace Safety team.

©2005-2026 K&L Gates LLP. All Rights Reserved.

KEY CONTACTS



ALANNA FITZPATRICK
PARTNER

BRISBANE
+61.7.3233.1251
ALANNA.FITZPATRICK@KLGATES.COM



PAUL HARDMAN
PARTNER

BRISBANE
+61.7.3233.1248
PAUL.HARDMAN@KLGATES.COM



MICHAELA MOLONEY
PRACTICE GROUP COORDINATOR - LABOR, EMPLOYMENT, AND WORKPLACE SAFETY

MELBOURNE
+61.3.9640.4430
MICHAELA.MOLONEY@KLGATES.COM



CARLA CAMASSA
LAWYER

MELBOURNE
+61.3.9205.2019
CARLA.CAMASSA@KLGATES.COM



DOMINIC FLEETON
PARTNER

MELBOURNE
+61.3.9205.2143
DOMINIC.FLEETON@KLGATES.COM



STEPHEN HARDY
PRACTICE GROUP COORDINATOR - LABOR, EMPLOYMENT, AND WORKPLACE SAFETY

SYDNEY
+61.2.9513.2464
STEPHEN.HARDY@KLGATES.COM



NICK RUSKIN
PARTNER

MELBOURNE
+61.3.9640.4431
NICK.RUSKIN@KLGATES.COM

This publication/newsletter is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer. Any views expressed herein are those of the author(s) and not necessarily those of the law firm's clients.

©2005-2026 K&L Gates LLP. All Rights Reserved.